

06/24/03

PC&IM POLICY ALERT
No. 03-26
DD Form 350 Required
When Funds are Obligated or Deobligated

REFERENCE: DFARS 204.670-2 Reportable contracting actions.

TYPE OF ACTION: Policy

EFFECTIVE DATE: N/A

SUMMARY: There appears to be some confusion regarding when a contract action requires a DD Form 350 (DD 350) to be submitted. *All contract actions over \$25,000 (e.g., awards, modifications, delivery orders, mods to delivery orders) are required to be reported in the fiscal year in which funds are obligated or deobligated.* The date of the action not the fiscal year of the dollars determines in which fiscal year an action is reported.

Below are some examples to help you understand when a DD 350 is exported to SAALT.

Example 1: You issue a modification to deobligate FY01 dollars. The action date (Block B3 on the DD 350) is January 31, 2003. Therefore, you must create and export a DD 350 report NLT 30 Sep 2003 since the action was executed in FY03 (1 Oct 02 – 30 Sep 03).

Example 2: You issue a modification to obligate additional FY03 funds to an existing CLIN. The action date (Block B3 on the DD 350) is January 31, 2003. Therefore, you must create and export a DD 350 report NLT 30 Sep 2003 since the action was executed in FY03 (1 Oct 02 – 30 Sep 03).

On the same modification, you add a new CLIN for FY04 dollars but you do not obligate FY04 funds. Because you have not obligated FY04 funds, no DD 350 report is required at this time. When you issue the modification to obligate the FY04 funds (some time after 1 October 2003),

you must create and export a DD 350 report since the action was executed in FY04 (1 Oct 03 – 30 Sep 04).

Below is an example to help you understand when a DD 350 cannot be exported to SAALT.

Example 1: You issued a modification to deobligate FY01 dollars. The action date (Block B3 on the DD 350) was July 31, 2002. However, you forgot to mark the DD 350 for export. This was an FY02 action (completed between 1 Oct 01 and 30 Sep 02) and required a DD 350 be exported NLT 30 Sep 02. It is now 15 Oct 02 -- you cannot mark the action for export because FY02 ended on 30 Sep 02. If an FY02 action is exported after 30 September 2002, SAALT will reject it.

It is critical to report actions in the correct fiscal year. The data contained in the DD 350 is used by Congress and others to judge TMA's compliance with various government programs and initiatives. ***When we do not report actions in the correct fiscal year, TMA does not receive credit for dollars obligated or deobligated.*** Thus, it may appear that the contracting staff has done a smaller dollar level of work than that actually completed.

ACTION REQUIRED: Contracting officers shall ensure that an executed contract action is reported via DD 350 by 30 September of that fiscal year.

You may direct comments/questions on this Policy Alert to Kristine Hostetler at 303 676 3585 or Nancy Olander at 303 676 3985.